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HAROLD B. WILLEY, Clerk

Supreme Court of the United States

OCTOBER TERM, 1953.

No. 367.

THE AMERICAN AUTOMOBILE ASSOCIATION (INCORPORATED) and AUTOMOBILE CLUB OF NEW YORK, INC.,

Petitioners,

against

MURRAY SPIEGEL, doing business as LAKE SERVICE STATION,

Respondent.

MOTION FOR LEAVE TO FILE SUPPLEMENT TO PETITION FOR WRIT OF CERTIORARI AND THE SUPPLEMENT

LEO T. KISSAM,
Attorney for Petitioners.

Of Counsel:
LEO T. KISSAM,
ERIC NIGHTINGALE,
MARTIN M. BAXTER.

Paudick Press, Inc., 22 Thames St., New York 6, N. Y., U. S. A.

Supreme Court of the United States

No. 367.

THE AMERICAN AUTOMOBILE ASSOCIATION (INCORPORATED) and AUTOMOBILE CLUB OF NEW YORK, INC.,

Petitioners,

vs.

MURRAY SPIEGEL, doing business as LAKE SERVICE STATION,

Respondent.

MOTION FOR LEAVE TO FILE SUPPLEMENT TO PETITION FOR WRIT OF CERTIORARI AND THE SUPPLEMENT

To the Honorable, the Chief Justice of the United States and Associate Justices of the Supreme Court of the United States:

Now COME The American Automobile Association (Incorporated) and Automobile Club of New York, Inc., by their attorney, and move the Court for leave to file the annexed Supplement to the Petition for Writ of Certiorari.

Respectfully submitted,

LEO T. KISSAM,
Attorney for Petitioners.

Of Counsel:

LEO T. KISSAM,
ERIC NIGHTINGALE,
MARTIN M. BAXTER.

SUPREME COURT OF THE UNITED STATES

Supplement to Petition for Writ of Certiorari

To the Honorable, the Chief Justice of the United States and Associate Justices of the Supreme Court of the United States:

The petitioners respectfully show that:

1. On or about September 23, 1953 petitioners filed their petition for writ of certiorari in the above matter and the Clerk of the Supreme Court assigned Docket Number 367, October Term, 1953.

2. On or about September 29, 1953 petitioners served upon respondent notice of petition for writ of certiorari together with a copy of the printed record and a copy of the printed petition.

3. On or about September 30, 1953 proof of service of notice, petition, and record were filed with the Clerk of the Supreme Court.

4. After printing and filing the petition herein, there came to petitioners' attention the most recent progress report of Walter J. Derenberg on the administration of the Lanham Act, "The Sixth Year of Administration of the Lanham Trade-Mark Act of 1946" (*Patent, Trade Mark and Copyright Weekly Reports*, Vol. 98, No. 8, September 14, 1953, Part II). This report contains a noteworthy discussion of the holding of the Court of Appeals below, which, had petitioners been apprized thereof, would certainly have been referred to in the petition. Mr. Derenberg, a recognized authority in this field, under the heading "The

'Federal Law of Unfair Competition;' the Present Status of the Stauffer Doctrine", discusses one of the questions of federal law presented by this petition:

> "It has almost become a certainty now that the question whether under the doctrine of the Stauffer case, a new federal law of unfair competition may have been created under Section 44(i) of the Lanham Act will not be clarified until and unless the United States Supreme Court may decide to review this important question."

The author then analyzes the extent to which the holding in the *Stauffer* case (184 F. 2d 962 [9th Cir., 1950]) has been followed and notes that federal courts in other circuits, particularly the Second Circuit, have failed to adopt this doctrine. Mr. Derenberg concludes his report with the following comment upon the holding of the Court of Appeals for the Second Circuit in the instant case:

> "Only a few weeks ago, however, that court—rather unexpectedly under the circumstances of the case involved—did take the opportunity to express an opinion on this very point. In American Automobile Association (Incorporated) et al. *v.* Spiegel, the Association had obtained a summary judgment enjoining a service station in Brooklyn from unauthorized display of its A.A.A. symbol. In answer to the complaint, defendant asserted that the Association had been using the A.A.A. symbol in violation of the antitrust laws and in violation of the Administrative Code of the City of New York. In reserving any adjudication of these issues until after trial, the Court of Appeals in an opinion by Judge Learned Hand came to the rather startling conclusion that the unauthorized display of the A.A.A. symbol was not an act of trade-mark infringement as it did not involve a misuse of plaintiff's trade-mark in connection with the sale of merchandise. Therefore,

the court ruled, plaintiff's cause of action could be sustained only on a theory of unfair competition as between citizens of the same state, provided the defendant's activities adversely affected the plaintiff's interstate commerce. Thus the Court deemed itself confronted with the necessity of considering the applicability and correctness of the Stauffer doctrine. Without offering any reason other than a recitation of the various subsections of Section 44 of the Act of 1946, the Court summarized its position as follows, 98 USPQ at p. 4:

> 'We are forced to the conclusion that the Act does not give jurisdiction to the district courts over an action brought by any plaintiff with whose interstate commerce the defendant has unfairly competed.'

In remanding the case to the district court for further proceedings during which the plaintiff might perhaps prove a 'substantial * * * claim under the * * * trade mark laws' to which plaintiff's claim for unfair competition may be 'pendent', the court thus squarely refused to adopt the Stauffer doctrine. In view of this clearly defined conflict of the decisions in the Ninth and the Second Circuits with regard to the jurisdictional aspect of the Stauffer doctrine, it would appear to have become almost mandatory for the United States Supreme Court finally to review this question if it should come before it in an appropriate case."

While petitioners believe that the conflict between the Second and Ninth Circuits is adequately set forth in the petition herein, petitioners believe that the added weight of the considered opinion of a writer of Mr. Derenberg's standing and authority should be brought to this Court's attention.

WHEREFORE, petitioners pray that an order be entered allowing the filing of the Supplement to the Petition for

Writ of Certiorari herein, and for such other and further relief as may be just in the premises.

Respectfully submitted,

Leo T. Kissam,
Attorney for Petitioners.

Of Counsel:

Leo T. Kissam,
Eric Nightingale,
Martin M. Baxter.

Dated: October 6, 1953.